

REVIEW APPRAISAL REPORT

CITY/TOWN: Acton, Massachusetts

PROJECT: Acton Maynard Assabet River Rail Trail

OWNER'S NAME: Wedgewood Realty Trust

PROPERTY LOCATION: 4-22 Main Street, Acton, Massachusetts

MAILING ADDRESS: 4-22 Main Street, Acton, Massachusetts 01720

PROJECT FILE #: 604531

F.A.PROJECT NO.: NA

<u>PARCEL NO. (S)</u>	<u>AREA(S)</u>	<u>INTEREST(S) ACQUIRED</u>
A-E-15	25,604 ± SF	Permanent Construction Easement
A-E-20	8,154 ± SF	Permanent Construction Easement
A-E-21	4,545 ± SF	Permanent Construction Easement
A-E-22	6,498 ± SF	Permanent Construction Easement
A-E-23	6,933 ± SF	Permanent Construction Easement
A-TE-28	599 ± SF	Temporary Construction Easement (3 Years)
A-TE-29	1,297 ± SF	Temporary Construction Easement (3 Years)
A-TE-30	8,508 ± SF	Temporary Construction Easement (3 Years)
A-TE-32	527 ± SF	Temporary Construction Easement (3 Years)
A-TE-49	646 ± SF	Temporary Construction Easement (3 Years)
A-TE-54	336 ± SF	Temporary Construction Easement (3 Years)

CITY/TOWN: Acton

PARCEL NO: A-E-20, A-E-21, A-E-15, A-E-22, A-E-23, A-TE-28, A-TE-29, A-TE-30, A-TE-32, A-TE-49, A-TE-54

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 PROJECT: Assabet River Rail Trail

REVIEW APPRAISER'S CHECKLIST

APPRAISER: William A. LaChance, MAI, SRA FIELD REVIEWED: Yes x No ___
 TYPE OF TAKING: 6 Temporary easements and 5 Permanent easements

Compliance		CHECKLIST
Yes	No	
X		1. Owner's name, owner's mailing address, address of property
X		2. Project number, Layout number, Federal Aid Project Number (if applicable)
X		3. Letter of transmittal, dated & signed (fee only)
X		4. Purpose of appraisal, Property rights appraised, Extraordinary Assumptions/Hypothetical Cond.
X		5. Estimated exposure time, Definition of Market Value, Scope of work, Effective date
X		6. Description of location & neighborhood & neighborhood influence, Overview of project
X		7. Grantor, Title Abstract, Utilities, Zoning incl. all information, Assessment, 5-Year sales history
X		8. Photographs properly identified, date taken, & by whom
X		9. Plan showing all parcels to be acquired
X		10. Description of entire property, Floor plans of structures: dimensions & areas (if applicable)
X		11. Highest & Best Use of property at time of taking
X		12. Land Valuation – Comparable sales Analysis
X		a. Comparable sales data form with detailed information, photo, sketch
X		b. Narrative analysis of sale
X		c. Explanation of adjustments
X		d. Map or sketch showing location of sales
	X	13. Valuation with improvements - Comparable Sales Analysis
	X	a. Comparable sales data form with detailed information, photo, sketch
	X	b. Narrative analysis of sale
	X	c. Explanation of adjustments
	X	d. Map or sketch showing location of sales
X		14. Description of parcels to be acquired, Work in lieu of damages
X		15. Description of remaining property:
X		i. Effect of layout & construction on remainder
X		ii. Highest and best use after the taking
X		iii. Special benefits to remainder, if any, justify
X		16. Analysis of Value; Correlation & Final Estimate of Damages
X		17. Appraisers Certification Statement, Assumptions & Limiting Conditions

CITY/TOWN: Acton

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<input checked="" type="checkbox"/>		18. Subject Property Deed
	<input checked="" type="checkbox"/>	19. List of non-compensable (personal) property (if applicable)
	<input checked="" type="checkbox"/>	20. Economic Rental, for Property Management purposes (if applicable)
<input checked="" type="checkbox"/>		21. Appraiser Contact Letter w/return receipt, Appraiser Affidavit properly filled out
<input checked="" type="checkbox"/>		22. Allocation of Damages
<input checked="" type="checkbox"/>		23. Mathematics (Office Checker)

FINAL DETERMINATION OF DAMAGES

Date of Review 6/17&18/2015

		Appraiser	Reviewer
<u> X </u>	Recommended – Accepted & Approved as the basis for the establishment of the amount believed to be just compensation.	Value Before Value After Estimate of Value	<u> \$153,315 </u>
<u> </u>	Accepted – Meets all requirements, but not selected as recommended		<u> \$153,315 </u>
<u> </u>	Not Accepted (Include reason in comments)	Date:	

Effective Valuation Date: 5/15/2015

Win G. Lyle, MAI, SRA
MA Certified General Appraiser #497

The total damages of \$153,315 is the sum of \$144,900 in damages from five permanent easements and \$8,415 from six temporary easements. One permanent easement would have created a severance due to its causing the loss of two parking spaces; however, as contract work in lieu of damages two parking spaces were created nearby on the larger parcel. Therefore, there was no severance.

CITY/TOWN: Acton

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STATEMENT OF THE REVIEW APPRAISER

I, William A. LaChance, MAI, SRA, hereby certify:

- (1) The Review Appraiser has determined that **\$153,315** is a reasonable measure of Market Value and/or damages. The Review Appraiser recommends the acceptance and approval of this appraisal under review as the basis for the establishment of the amount believed to be just compensation. This determination is based upon all competent information that is available including the appraisal(s) and data submitted by Richard W. Bernklow, SRA and Jonathan Avery, MAI, CRE as well as the review appraiser's own observations and calculations. This determination is not a revision or an adjustment of a former determination of value based upon additional value information that has been made available.

- (2) The Review Appraiser understands that the above-stated determination of Market Value and/or damages is to be used in connection with a Federal Aid Project.

- (3) The Review Appraiser acknowledges the following checked statement(s):
 - () A visual inspection of the parcel(s) to be acquired, and the comparable sales relating thereto, was made by the Review Appraiser
 - (X) The Review Appraiser made a visual (on-site) inspection of the parcel(s) to be acquired, and is familiar with the project and the area from a recent visit.

- (4) That I have no direct or indirect present, or contemplated future, personal interest in such property, or in any benefit from the acquisition of such property herein appraised; that I, my immediate family or partner, or any business organization in which I am serving as an officer, director, trustee, partner, or employee, or any person or organization with whom I am negotiating or have any arrangement concerning prospective employment, did not perform, in whole or in part, this review appraisal, and do not have a financial interest in the property which is herein appraised; that I have read the provisions of M.G.L. c. 268A, S. 23, a copy of which is attached to and made a part of this review appraisal report; and that, to the best of my knowledge, in carrying out this appraisal assignment, I have not violated the standards of conduct set forth in said section 23.

- (5) The Review Appraiser's determination has been reached independently, based on appraisals or other factual data of record, without collaboration or direction.

- (6) That the Review Appraiser's determination of Market Value and/or damages included only items, which are compensable under State law, and are eligible for Federal reimbursement as herein noted.

Date: 6/18/2015

Review Appraiser:

 MAI, SRA
MA Certified General #497
Review Appraiser

Attached Appraisal by: William. A. LaChance

CITY/TOWN: Acton

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PROJECT: Assabet River Rail Trail

4-22 Main Street, ACTON, MASSACHUSETTS

REVIEWING APPRAISER'S COMMENTS AND ESTIMATE

Scope of Review: The purpose of this appraisal review is to assist MassDOT in its determination of just compensation for the property rights conveyed through the proposed acquisition of one Temporary Easement by furnishing an opinion of the impact on the subject property's market value as of the effective date of appraisal. The scope of my review appraisal included reading the appraisal report of Richard W. Bernklow, SRA and Jonathan Avery, MAI, CRE; considering the applied valuation methodology; considering the data, support, and reasoning presented; checking the accuracy of the calculations and discussing the report with its authors. Requested edits and/or addenda were made to the report by Mr. Bernklow in order to improve its compliance with report standards and specifications of USPAP, 49 CFR 24. 104, and Mass DOT. One of the edits altered Mr. Bernklow's opinion of value regarding severance. As the appraisers' reported, two parking spaces will be lost to a permanent easement; however, it was not initially reported that two spaces will be created as contract work in lieu of damages. The new spaces will be located at the locus of a fire hydrant that will be removed and its surrounding area paved for use by the fee owner. As a result, a severance was removed from the initial conclusion of damages. Hereafter, this review report refers to the edited report.

My conclusion regarding the reviewed report is limited to recommendation, acceptance, or rejection. In that process I developed opinions as to the report's completeness within the required scope of work; the adequacy and relevance of the data and propriety of any adjustments to the data; the appropriateness of the appraisal methods and techniques used; and to whether the analyses, opinions, and conclusions expressed in that report are appropriate and reasonable as required by the USPAP and the above-cited supplemental specifications. Finally, this technical review report was prepared in accordance with the USPAP Standard 3 and the supplemental above-cited sources for review appraisal specifications. William A. LaChance made an inspection of the subject parcel and the exterior of the improvements, yet did not independently verify or inspect the sales the data. I am familiar with the market area through my other assignments.

- The subject property is located at 4-22 Main Street in Acton, Massachusetts
- The contractor shall re-grade/reseed/and reset all affected site improvements within the temporary easement areas to their original condition unless otherwise stated. The rights acquired within the permanent easements are as stated in the Avery report.
- The subject property is situated within the Limited Industrial District, in the Town of Acton
- F.A.P. Project (Not known)
- All temporary easements will be in effect for a three year period.
- The effective date of value for appraisal report under review is May 15, 2015
- There were no extraordinary assumptions necessary in the review assignment.
- There were no hypothetical conditions necessary in the review assignment.
- Since MassDOT has no 21E studies on this land, the site is appraised as environmentally clean.

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PROJECT: Assabet River Rail Trail

Acton is a primarily residential suburb of Boston. The subject property is well located along a primary arterial (Route 27) within a mixed use area of Acton near the border with Maynard; however, for large industrial properties the larger parcel serves primarily local rather than regional market participants. The subject larger parcel's marketability is average.

The economy, the market area, and the subject property's real estate market were adequately described in the Avery appraisal report, as were the acquisitions and their effect on the subject. The 5 PE and six TE acquisitions are located on three sides of the parcel, upon a mix of paved access way, sidewalk, parking (2 spaces), lawn, and wetland. There are no building improvements located within the easement areas. The larger parcel can continue to function in its highest and best use as improved during the 3-year term of the TEs and the permanent term of the PEs. The remainder parcel's utility shall be equal or better as a result of the rail trail project.

The valuation methodology applied was the State Rule under which the appraiser considered the value of the rights acquired as part of the whole plus any severance or special benefit to the remainder. I agree with use of this methodology and find it appropriate and commonly used by professionals solving this type of appraisal problem. The larger parcel was fully built out in legal non-conformance to current zoning with a building whose size and uses result in its need for every parking space that it has on site. Comparable land sales of more than adequate quantity and quality were analyzed, and land unit values were concluded for the differing parts taken (upland/wetland) as part of the whole. The analysis included few adjustments to the data. I agree with their direction and their extent was reasonable. The sale verification was primarily by brokers, (a party involved in the transaction), as required by the Relocation Act, and was also by public documents. Overall, the analysis of sales was convincing and the appraiser's opinion of market value in fee for the easement areas as part of the larger parcel was appropriately supported. The contribution to value of yard items (pavement, etc.) were then added and value indications were presented for the fee simple interest in the easement area real estate as part of the whole before the takings.

Based upon the available plans, the rights taken that were provided verbally to the appraiser, and the examples of recorded easements presented in the report, I concluded that the appraiser's estimated degree of the fee applied in the TE valuations was reasonable. The applicable rent rate as a percent of the fee, rent growth rate, and discount rate were well supported. Although the rents were discounted as if collected in arrears, this is convention for a discounted cash flow. Given the dollar amounts involved the difference is discounted assuming a current collection of the year 1 rent, is nominal. Therefore, the resulting value of the rights taken was appropriately supported.

The PEs were valued by applying a ratio of the rights acquired as part of the whole. The ratio of 80% was reasonable, and after the contribution to value of yard improvements was added, the resulting values for each PE were supported and reasonable.

There were no fixtures, trade fixtures or removable equipment in the takings. The taking area was unimproved. The grantee will seed the TE area.

Effectively, the appraisers determined that there would be severance from loss of the two parking spaces. However, a hydrant located on the larger parcel will be relocated to a lawn area on site and the area surrounding it shall be paved to create two parking spaces. This contract work in lieu of damages will be paid for by the grantee and it offsets what would have been damages to the remainder. The appraisers conclude that no special benefit results from the takings, and given the subject's characteristics before and after the takings. I concur with the opinion that creation of these two parking spaces located near the two lost spaces offsets that damage and that there are no special benefits.

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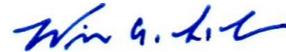
I find that the report meets the previously cited reporting specifications and I recommend that the appraisal be considered as an adequate basis for the establishment of an offer of just compensation.

<u>Permanent Easment #</u>	<u>Damages</u>
A-E-15	\$82,000
A-E-20	\$6,500
A-E-21	\$11,000
A-E-22	\$26,000
A-E-23	\$19,400
Sub-total	\$144,900

<u>Temporary Easment #</u>	<u>Damages</u>
A-TE-28	\$360
A-TE-29	\$260
A-TE-30	\$6,710
A-TE-32	\$425
A-TE-49	\$385
A-TE-54	\$275
Sub-total	\$8,415

TOTAL \$153,315

FINAL OPINION OF DAMAGES: \$153,315

 , MAI, SRA
MA Certified General #497
5/29/2015

ASSUMPTIONS & LIMITING CONDITIONS

The review appraiser's general assumptions and limiting conditions are the same as those presented in the report by Richard W. Bernklow, SRA and Jonathan Avery, MAI, CRE (Avery Associates) that is the subject of this review, and they are incorporated herein by reference. No extraordinary assumptions have been made in developing this review appraisal.

The appraisal report by Avery Associates was not premised upon any hypothetical conditions, and neither is this review appraisal.

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UNIFORM STANDARDS OF PROFESSIONAL APPRAISAL PRACTICE CERTIFICATION

I certify that, to the best of my knowledge and belief:

The facts and data reported by the review appraiser and used in the review process are true and correct.

The analyses, opinions, and conclusions of this review report are limited only by the Assumptions and Limiting Conditions stated in this review report, and are my personal, unbiased professional analyses, opinions and conclusions.

I have no present or prospective interest in the property that is the subject of this report and have no personal interest or bias with respect to the parties involved.

I have performed no other services, as an appraiser or in any other capacity, regarding the property that is the subject of the work under review within the three-year period immediately preceding acceptance of this assignment.

I have no bias with respect to the property that is the subject of the work under review or to the parties involved with this assignment.

My engagement in this assignment was not contingent upon developing or reporting predetermined results.

My compensation is not contingent on an action or event resulting from the analyses, opinions, or conclusions in, or the use of, this review report.

My compensation for completing this assignment is not contingent upon the development or reporting of predetermined assignment results or assignment results that favors the cause of the client, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal review.

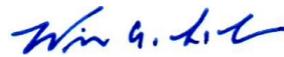
My analyses, opinions, and conclusions were developed and this review report has been prepared in conformity with the Uniform Standards of Professional Appraisal Practice, 49 CFR 24.104, and MassDOT requirements, regulations and procedures.

I did personally make an on-site inspection of the parcel and an exterior inspection of the subject building under review.

No one provided significant professional assistance to the person signing this review report.

The report under review contains adequate relevant data to arrive at an estimate of value. Adjustments to the data appear proper and reasonable. The methods and techniques used in the appraisal are consistent with proper appraisal practices. The analyses, opinions, and conclusions are appropriate and reasonable.

In my opinion, this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice, the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, Massachusetts State Law and any laws, policies, regulations and procedures applicable to appraisal of right-of-way for such purposes in the Commonwealth of Massachusetts, and MassDOT – Highway Division policy as it relates to the appraisal of right-of-way.

 , MAI, SRA
MA Certified General #497
5/29/2015

CITY/TOWN: Acton

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268A 23. SUPPLEMENTAL PROVISIONS; STANDARDS OF CONDUCT

- (a) In addition to the other provisions of this chapter, and in supplement thereto, standards of conduct, as hereinafter set forth, are hereby established for all state, county, and municipal employees.
- (b) No current officer or employee of a state, county or municipal agency shall knowingly or with reason to know:
- (1) accept other employment involving compensation of substantial value, the responsibilities of which are inherently incompatible with the responsibilities of his public office;
 - (2) use or attempt to use his official position to secure for himself or others unwarranted privileges or exemptions which are of substantial value and which are not properly available to similarly situated individuals;
 - (3) act in a manner which would cause a reasonable person, having knowledge of the relevant circumstances, to conclude that any person can improperly influence or unduly enjoy his favor in the performance of his official duties, or that he is likely to act or fail to act as a result of kinship, rank, position or undue influence of any party or person. It shall be unreasonable to so conclude if such officer or employee has disclosed in writing to his appointing authority or, if no appointing authority exists, discloses in a manner which is public in nature, the facts which would otherwise lead to such a conclusion.
- (c) No current or former officer or employee of a state, county or municipal agency shall knowingly, or with reason to know:
- (1) accept employment or engage in any business or professional activity which will require him to disclose confidential information which he has gained by reason of his official position or authority;
 - (2) improperly disclose materials or data within the exemptions to the definition of public records as defined by section seven of chapter four, and were acquired by him in the course of his official duties nor use such information to further his personal interest.
- (d) Any activity specifically exempted from any of the prohibitions in any other section of this chapter shall also be exempt from the provisions of this section. The state ethics commission, established by chapter two hundred and sixty-eight B, shall not enforce the provisions of this section with respect to any such exempted activity.
- (e) Where a current employee is found to have violated the provisions of this section, appropriate administrative action as is warranted may also be taken by the appropriate constitutional officer, by the head of a state, county or municipal agency. Nothing in this section shall preclude any such constitutional officer or head of such agency from establishing and enforcing additional standards of conduct.
- (f) Upon qualification for office following an appointment or election to a municipal agency, such appointed or elected person shall be furnished by the city or town clerk with a copy of this section. Each person shall sign a written acknowledgement that he has been provided with such copy.

Added by St.1962, c.779,s1, Amended by St.1975, c.508; St.1982, c.612, s14; st. 1983, c.409; St. 1986, c.12, s2. ROW Form 737 (Form Revised 5/13)

JUST COMPENSATION REPORT

Information included in this Summary Report is provided to the owner of real property who has interests in property acquired or to be acquired and shows (as required by Title III, Section 301 (3) of Public Law 91-646 "Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970") the basis for the amount established as just compensation.

OWNER'S NAME: Wedgewood Realty Trust

MAILING ADDRESS: 4-22 Main Street, Acton, Massachusetts
01720

CITY/TOWN: Acton

F.A. PROJECT NO.: NA

PROJECT FILE #: 604531

PROPERTY LOCATION: 4-22 Main Street, Acton, Massachusetts

ASSESSOR'S IDENTIFICATION: Map: I2 /Lots: 21-3, 33, 48, 83, 84

PROPERTY DESCRIPTION: The larger property is a large site improved with as large industrial building located along a principal arterial street in a mixed use neighborhood. The area of the easements is not improved by the building.

<u>PARCEL NO. (S)</u>	<u>AREA(S)</u>	<u>INTEREST ACQUIRED</u>
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**JUST COMPENSATION
SUMMARY REPORT
PAGE 2 OF 2**

- (1) Separately held interest in the real property not being acquired in whole or in part (if applicable): **None**
- (2) Buildings, structures and other improvements, including fixtures, trade fixtures, and removable equipment in the building, which are considered to be part of the real property for which the offer of Just Compensation is made: **Pavement and landscaping**
- (3) Real property improvements, including fixtures not owned by the owner of the land (if none, so state): **None**
- (4) Types, and approximate quantity, of personal property located on the premises that is not being acquired, where the owner and/or tenant(s) are eligible for a Relocation Payment to relocate the personal property located on the premises being acquired (if not eligible, so state): **None**
- (5) The Department's determination of Just Compensation is based on the following:
- (A) The Market Value of the property.
 - (B) Just Compensation is not less than the approved appraisal of land damages, based on the interest acquired.
 - (C) Just Compensation disregards any decrease or increase in the Market Value of the property prior to acquisition caused by the project for which the property is being acquired.
 - (D) In the case of separately held interests in the real property, the apportionment of the total Just Compensation for each of those interests has been considered.
- (6) Estimate of value: **\$153,315**
- (7) Damages to the remaining real property: (if none, so state) **None***
- (8) Final estimate of value: **\$153,315**
- (9) The amount of Just Compensation has been established through the use of acceptable principle applicable to the appraisal of real estate, by considering the three (3) approaches to value, namely the Cost Approach, the Sales Comparison Approach, and the Income Approach. **Of these approaches, only the Sales Comparison Approach was applied; however, a rental income analysis was also made within that approach.**

***The total damages of \$153,315 is the sum of \$144,900 in damages from five permanent easements and \$8,415 from six temporary easements. One permanent easement would have created a severance due to its causing the loss of two parking spaces; however, as contract work in lieu of damages two parking spaces were created nearby on the larger parcel. Therefore, there was no severance.**